

## SBP PRUDENTIAL REGULATIONS FOR CORPORATE & COMMERCIAL BANKING

**DATE:** Thursday, October 12, 2017

**FEE:** PKR 8,500/- per participant

**VENUE:** Islamabad

**TIMINGS:** 9:00 am to 5:00 pm

**5%**  
DISCOUNT  
on 3-5 nominations

**10%**  
DISCOUNT  
on 6+ nominations

**LAST DATE OF REGISTRATION**  
October 10, 2017

**COURSE FACILITATOR**  
Mr. Atique ur Rehman

### COURSE OVERVIEW

Prudential Regulations have remained a subject of intense discussion since the very first time they were implemented by State Bank of Pakistan. The recent revisions in PRs have opened up a new debate due to their practical implications for the lenders as well as borrowers. The revision in Per party limits, Related party risks, and introduction of Joint Inspection of pledged goods are few major changes introduced by the Regulator. The course should be attended because of the critical importance of subject requiring en-masse understanding, as there are deadlines to be met requiring immediate to mid range policy response. Appropriate policy making addressing the shift to risk based supervision is critical to the issue for both the lenders and the borrowers.

## COURSE CONTENT

### FUNDAMENTALS

- Brief History of PRs.
- Spirit and objectives of Revised PRs
- Key Definitions under PRs.
- Specific Changes in the PRs

### PRACTICAL APPLICATION OF PRs

#### R-1 - Limit On Exposure To Single Person

- Changes in per party Limit.
- Calculation of per party Exposure.
- Calculation of Group Exposure.
- Definition of Related Party.
- Calculation of Related Party Exposure.
- Definition of Large Exposure.
- Calculation of Large Exposure Limit.

#### R-2 - Exposure against Contingent Liabilities

- Calculation of Exposure under Contingent Liability.
- Exposure to Derivatives.

#### R-3 - Minimum Conditions For Taking Exposure

- Relevant Changes and its impact on Lending.

- Credit Policy duly approved by BOD prescribing a minimum current ratio and linkage between borrower's equity and its total financing.

#### R-4 - Security & Margin Requirements

- Clean Limits.
- Nostro Balances Limits.
- Requirement of Personal Guarantees.

#### R-5 - Collateral Management

- BOD approved Collateral Management Policy
- Key Features of the Collateral Management Policy
- Mechanism to monitor utilization of funds.
- Joint Inspection of Pledge Goods (Modus Operandi)
- Critical factors for monitoring Stocks at the time of Joint Inspection

#### R-6 - Exposure In Shares And TFCS/sukuk

- Major Changes.
- Approved list of Shares accepted as collateral.
- Restriction on Exposure against Shares of group companies.
- Definition of 'Group' and modus operandi to identify pledged shares of group companies.

#### R-7 - Guarantees

- Relevant Changes and its impact on Lending.
- Credit Policy duly approved by BOD prescribing minimum current ratio and linkage between borrower's equity and its total financing.

- BOD Approved Limits for Accepting Counter Guarantee of Other Banks.
- Reporting to SBP in case of foreign guarantees not honored.

## R-8 - Classification & Provisioning For Assets

- Types of Classification
- FSV Benefit available on different Securities
- Provision Calculation
- Rescheduling/Restructuring of non-performing Loans
- Impact on profitability arising from availing the benefit of FSV

## R-9 - Revised AML/CFT Regulations

- Customer Due Diligence
- Corresponding banking
- Wire Transfer/Funds Transfer
- Reporting of Transactions (STRs/CTRs)
- Record Keeping
- Internal controls, policies, compliance, Audit and Training.

## WHO SHOULD ATTEND?

Credit Risk Analysts, Corporate Bankers / Relationship Managers, CAD Officers, Compliance Officials, Senior Policy Makers, Auditors

## FACILITATOR

### Mr. Atique ur Rehman

Mr. Atique ur Rehman is an experienced banker with more than 23 years of working experience in the areas of branch banking operations, advances and foreign trade. During his banking career, he has worked in various positions including, Manager Operations, In-charge Credits and Forex, Credit Manager etc. Currently he is serving as Assistant Vice President at Staff College of National Bank of Pakistan. He has conducted various training courses in the areas of Branch Banking Operations, Credits and Foreign Trade at NBP Staff College as well as from the platform of The Institute of Bankers Pakistan.

### CONTACT DETAILS

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**NOTE: Payment should be made on or before the course start date in the name of "THE INSTITUTE OF BANKERS PAKISTAN".**  
Please send nominations/requests for participation at least two days before the training date.